

Exhibit 2



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Print Page

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Seda home sold

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Mail Tribune

An auctioneer severed the physical ties Thursday between Ashland and an Islamic charity accused of supporting international terrorism.

Realtors working for the U.S. Treasury Department sold the home of former Ashland activist and international fugitive Pete Seda for \$443,000. The house was owned by the Oregon Chapter of the Al-Haramain Islamic Foundation Inc., which was designated a terrorist organization by the government in 2005.

The house, situated on about 4 acres on Highway 99 south of Ashland, was bought almost on impulse by two Ashland women who live nearby and said they loved the view.

Their purchase of the sprawling 4,157-square-foot house puts Al-Haramain in Ashland's past, said Tom Nelson, a Portland attorney who is acting as the charity's agent.

With no remaining assets except for 155 boxes of Qurans still held by federal agents, the name Al-Haramain carries so much baggage that it's done in Ashland and elsewhere, Nelson said after the auction.

"Al-Haramain, as an entity, can't revive itself and do business again for no other reason than the spectre of fear that the government has created," Nelson said.

Once it was designated as a terrorist organization, only people like Nelson, who has federal approval, could conduct business with Al-Haramain.

Thursday's oral auction drew more than 50 people, including 19 registered bidders from as far as Las Vegas and Southern California. Most sought what runner-up bidder Tom Haddad had in mind.

"I'm a sucker for a good deal," said Haddad, a Grants Pass physician and investor who backed out after bidding \$442,000. The house was assessed at \$461,200.

Winning bidders Cheryl Alderson and Kimberly Zaslow said they decided to bid on the property Wednesday after driving past it and seeing the "government auction" sign.

"We got it for less than we were willing to bid," said Alderson, who said the pair planned to back out at \$465,000. "We didn't expect to get it. We thought it would go way over our limit."

They showed up early for the — p.m. auction, but had to hustle back to town and get the required \$20,000 cashier's check to open an escrow account. The auction was delayed about five minutes to allow them to register.

They have not decided whether to remodel the house and move in, or sell it, Zaslow said.

Some attendees, like Paul Pique, came out of curiosity.

A recent immigrant to Ashland from Maui, Pique considered bidding on the property until he toured the house and saw what he considered to be structural problems in retaining walls and the foundation.

"It's a beautiful piece of property," said Pique, a retired contractor. "It'll cost you a bunch of money to tear it down."

Nelson said portions of the sale's proceeds were expected to be used to pay off more than \$9,000 in back taxes owed on the property and to cover the costs and commission of the Chicago-based firm that handled the sale for the government.

The rest will be frozen in an account, Nelson said.

Based on similar cases involving charities, Nelson said, the remaining money could be turned over to a different Islamic charity that does not carry the terrorism designation.

Nelson said it would be a "breach of trust" with the original donors not to do so.

"It should go toward some kind of Islamic outreach, not necessarily here but somewhere," Nelson said.

No federal treasury officials were present. The sale was watched by Internal Revenue Service special agent Colleen Anderson, whose court affidavit spells out the money-laundering and tax-cheating cases against Seda and Soliman Al-Buthe, a Saudi Arabian national who was an officer in the Al-Haramain chapter.

Seda allegedly helped Al-Buthe smuggle chapter donations of more than \$150,000 in cashier's and traveler's checks from Ashland to Saudi Arabia in 2000. The tax evasion charge accuses the men of lying on the chapter's tax return to cover for the smuggled money.

The federal government has designated Al-Buthe and the Al-Haramain chapter as agents of global terror, but Seda so far has not been given the terrorist designation. Al-Buthe is fighting his designation in federal court.

Al-Buthe is believed to be in Saudi Arabia and Seda, a naturalized U.S. citizen, is in his native Iran. The United States has no extradition agreement with either country, but either man could be arrested on an outstanding Interpol warrant if found entering a country with an extradition agreement with the United States.

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